

DIVISION OF BOATING AND OCEAN RECREATION

FY 1999, 2000, 2001

W. Mason Young, Acting Administrator



*The Ala Wai Boat Harbor in Honolulu, O`ahu.
Photo Credit: Mike Markrich.*

ROLE AND ORGANIZATION

The mission of the Division of Boating and Ocean Recreation (DOBOR) is to enrich the lives of Hawai'i's residents and visitors by providing facilities for recreational boating and supporting opportunities for ocean activities. The DOBOR aims to preserve Hawai'i's natural and cultural resources while ensuring public access to State waters and enhancing the ocean experience.

- Manages 21 small boat harbors, 54 launch ramps, 13 off shore mooring areas, 10 designated ocean water areas and 108 designated ocean recreation management areas.

- Special Funded Program

- Public Mooring fee the lowest in the nation

PROGRAM OVERVIEW

Hawai'i has the distinction of being the only island state in the nation, with the fourth largest coastline and 565 million acres of ocean waters and navigable streams. The Pacific Ocean is an inherent part of Hawai'i's culture and lifestyle; and the State-managed small boat harbors play important roles as access portals for recreational and commercial fishing, sailing, canoe paddling, surfing and other forms of ocean recreation. The Pacific Ocean is also a main attraction for the 7 million annual visitors to Hawai'i. It is estimated that nearly 2 out of every 3 visitors participate in one or more forms of ocean recreation during their stay. The ocean recreation industry contributes about \$800 million a year to Hawai'i's economy. (source DBEDT)

SURVEY OF RESOURCES

The DOBOR's survey of resources includes 21 small boat harbors, 54 launch ramps, 13 off shore mooring areas, 10 designated ocean water areas and 108 designated ocean recreation management areas. The DOBOR has 92 employee positions statewide. On average, 80-90% of the positions are filled. These positions include harbor agents, maintenance crews, general laborers and administrative personnel.

FISCAL HIGHLIGHTS

The DOBOR is a special-funded program, operated on a statewide basis, with all revenues from user fees and other sources deposited into the Boating Special Fund. All program expenses are paid from the Boating Special Fund. These expenses include personnel salaries, materials and supplies, equipment, enforcement, maintenance and repairs, internal service fees, Office of Hawaiian Affairs assessment and debt service on bonds issued for capital improvements. No general funds from the

State are provided to support operating costs. A spending ceiling of \$9.6 million was appropriated in FY 96-97. In addition, approximately \$750,000 in federal funds were granted through the Federal Boating Safety Act. Total operating costs in FY 96-97 amount to \$10.3 million. These figures are typical revenues for the division in 1999, 2000 and 2001.

During the fiscal years 1999, 2000 and 2001, the DOBOR has faced numerous challenges. Many of the small boat harbors and facilities are deteriorating rapidly. Some have far exceeded their life expectancy; while others were poorly designed and built and are aging earlier than expected. Today, the total value of needed repairs for Hawai'i's small boat harbors is estimated to be \$250 million.

It is a constant struggle that the boating special fund (monies paid by boaters) is not nearly enough to pay for the projects needed to repair, operate and manage the State's small boat harbors.

OTHER DEMANDS

Additional strains on small boat harbors have resulted from increased popularity of cruise ships. The headline of The Honolulu Advertiser, August 23, 2002, proclaimed "Cruise visitors count up 50%." The article reported that, "Cruise visitors to the Islands surged more than 50 percent in the first half of the year, carried by more and bigger ships, and approaching in just six months the entire total of cruise passengers who came to Hawai'i last year. Twenty-three cruises cruise ships carried 118,515 passengers on 67 trips..." The expansion of the cruise liners that dock at small boat harbors on O'ahu, Maui and the Big Island have put additional pressure on these facilities. Small boat harbors were not intended to support the embarking and disembarking of thousands of cruise ship passengers.

The same is true for the pressures of the ocean recreation industry. For example, the Big

Island's Kailua-Kona Pier was built in the early 1900's to transfer cattle from Kona ranches onto waiting barges. Originally constructed as a pile-supported pier, it was rebuilt as a solid structure in the 1930's and improved to its present configuration in 1952. In the 1960's the pier evolved into a platform for fishing and commercial ocean recreation activities. Today the Kailua-Kona Pier supports charter fishing boats, scuba diving charters, boat tenders from cruise ships moored offshore and major athletic events like the Ironman Triathlon.

Corrosion of Kailua-Kona Pier's supporting sheet piling and wave action over time has undermined the pier at certain locations and State officials have had to declare portions of the pier unsafe. In an effort to fix the pier's most urgent problems, the 2002 Legislature appropriated \$3.6 million to fix utilities and restore the pier's structural integrity. However, additional funding will be needed to install a new trailer wash-down area, complete the paving and fix other problems. The problems at this pier are a good representation of other facilities throughout the small boat harbor system.

PLANNED CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS

The division has developed a comprehensive five-year Capital Improvement Program plan for Hawai'i small boat harbor facilities. This plan includes various magnitudes of projects for wharf repair, new comfort stations, piers, loading docks, launch ramps, landscaping and harbor office facilities. The total estimated cost is \$250 million.

REVENUE ENHANCEMENT

The lack of funds to repair and maintain Hawai'i's small boat harbors has precipitated a call for new means of financing. Hawai'i's current slip fees are severely underpriced and have

not changed since 1995. On December 18, 2001, the Honolulu Star Bulletin wrote: "The rates at Hawai'i's small boat harbors range from \$2.18 per linear foot to the Ala Wai's rate of \$4.20* per foot. Thus the rental fee for a 30-foot yacht at Ala Wai is \$126, about the same as the lowest rate in California, in the commercial section of Los Angeles Harbor. Rates soar to \$29 per square foot at Newport Beach, while rates in the San Diego area range from \$6.75 to \$15." The DOBOR has requested an increase in all user fees and expect public hearings on the proposed fee schedule to commence in the fall of 2002.

With maintenance and repair costs rising at a faster rate than revenues in the Boating Special Fund, Governor Benjamin J. Cayetano and the Board of Land and Natural Resources initiated an effort to privatize the 10-acre, 800 berth, Ala Wai Small Boat Harbor on O'ahu. This would be the first privatization of a major public harbor facility in Hawai'i. In 2001, the Land Board approved the formation of a citizens advisory ad hoc committee to establish baseline criteria for future development at the harbor. The makeup of participants included boaters, nearby residents, canoe paddlers, surfers, two neighboring yacht clubs, the Hawai'i Prince Hotel and members of the Waikiki and Ala Moana Neighborhood Board. The committee presented its report that outlined minimum guidelines for future development in June 2002. Privatization has also been proposed by the private sector for Honokohau Small Boat Harbor on the island of Hawai'i.

OCEAN RECREATION

Managing ocean recreation has become an increasingly difficult job. A growing number of visitors and residents seek ocean experiences on a myriad of traditional and hybrid watercraft. These ocean recreation activities include kite sailing, wind surfing, kayaking, scuba and snuba diving, whale watching, deep sea fishing

*Note: the rate at Ala Wai is \$4.10 per foot

and tow-surfing. Ocean space has become more constricted and conflicts more common. In order to resolve the problems that arise from increasing conflicts, including issues of ocean safety, the DOBOR has consistently tried to establish a set of plans for ocean recreation activities on each island.

Particular ocean management problems have had to be dealt with in areas on Kauai such as the Wailua River where commercial kayaks share river space with barge operators and on the Nā Pali Coast where a long-term dispute among rival tour boat operators caused Governor Cayetano to intervene with strict rules for access and landing on the Nā Pali Coast, including Hanalei Bay.

On O`ahu, disputes have also taken place at Kailua Beach between kite surfers, wind surfers and other beach users. In neighboring Kāne`ohe Bay, the demand for new rules prompted the DOBOR to work with the local community to establish a Kāne`ohe Bay Regional Task Force that is developing an ocean recreation plan that encompasses users, environmental issues and safety concerns. Along O`ahu's leeward coast, the DOBOR officials have had to formulate, through a series of meetings, "a gentlemen's agreement" that balances commercial dolphin watch excursions, dive tours and akule fishermen. On O`ahu's south shore, a heated dispute between body surfers and boogie boarders at Point Panic led the DOBOR to adopt new rules that specify the type of board that can be used at that particular surf break. And at Pūpūkea on the north shore, a balance between the local community and the commercial dive operators needed to be addressed after residents complained that commercial operators monopolized the grounds and facilities; and were impacting the health of the aquatic ecosystem.

Other concerns over recreational kayakers and commercial kayak rentals have occurred in multiple locations, including Waikīkī Beach O`ahu; `Āhihi-Kinau Natural Area Reserve,

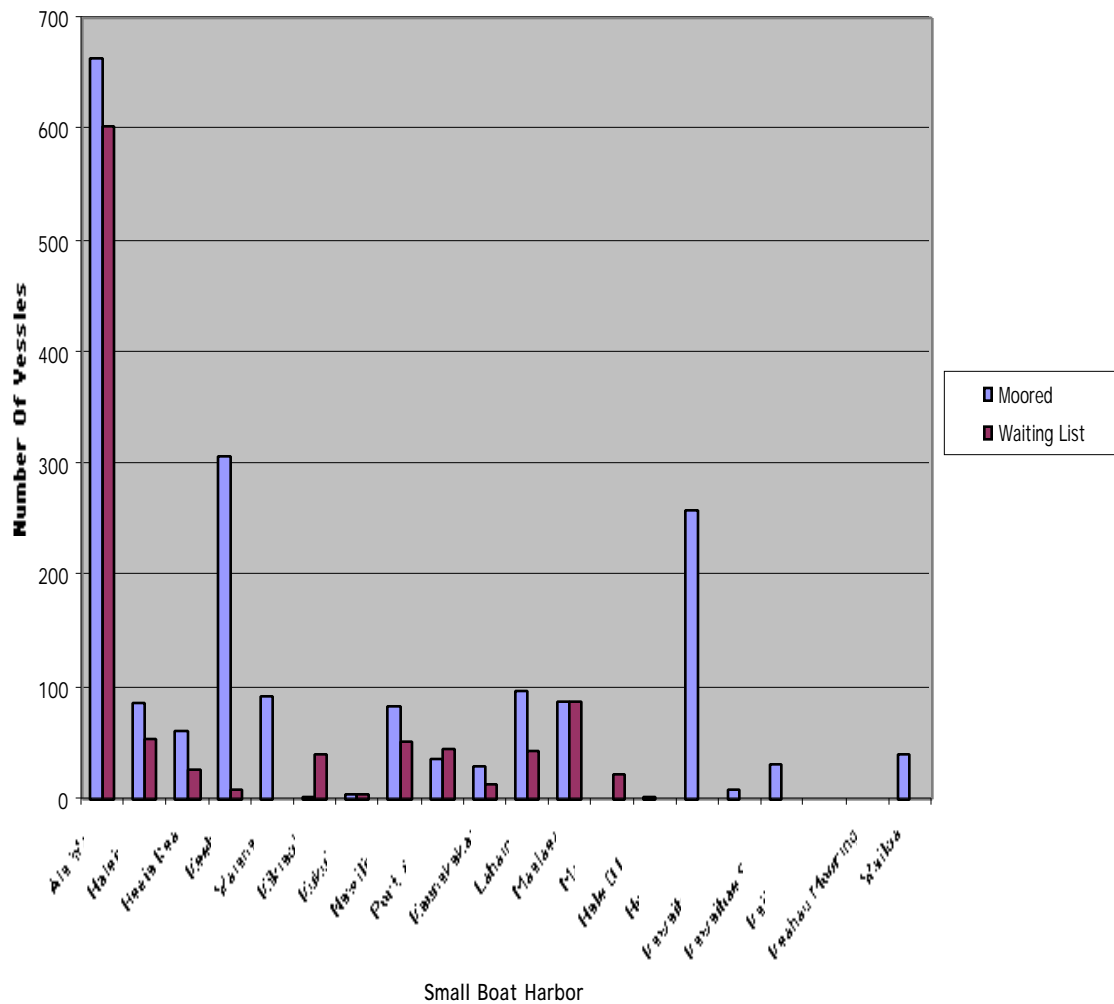
Maui; and Kealahou Bay, Island of Hawai`i. The development of new thrill-seeker sports such as tow-in surfing has raised many issues and safety problems.

CONCLUSION

The DOBOR is undergoing a period of transition. The division has developed strategic plans for revenue enhancement, repair and maintenance of facilities, environmental protection and the balance between new and traditional ocean recreation sports. However, given the increase in costs of running small boat harbors and the low fees and the opposition to raising rates it may become necessary to draw revenues from the \$800 million ocean recreation industry, which uses the harbors for commercial purposes to pay expenses. The input and support from Hawai`i's population and the assistance of the State's governor and elected officials will be critical to the DOBOR's ability to manage Hawai`i's ocean waters and maintain the State-run small boat harbors.

FIGURE 40.

Moored Vessels vs. Applications on File (Representative Data - 2002)



This table represents a typical number of moored vessels and people awaiting a place in small boat harbors in Hawai'i during 2002. Source: Small Craft Mooring Facilities Utilization Report Quarter Ending December 31, 2001.